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PEOPLE

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SAY RAY OFFERED 250G TO CONTROL PAPER

Secretary of Labor Raymond Donovan, a major backer of the defunct newspaper The Trib, invested about \$350,000 in the New York tabloid in 1978 and tried to pump another \$250,000 to gain control of the paper but was blocked by the brother-in-law of former U.S. Sen. James Buckley, it was learned.

Donovan's dealings with The Trib and his relationship with Douglas LaChance, former head of the newspaper deliverers union, may come under scrutiny by special federal prosecutor Leon Silverman, who will probe allegations of a union payoff by Donovan's company in a separate matter. Donovan asked for the probe following allegations that he was present when a payoff was made to buy labor peace for the Schiavone Construction Co. of Secaucus, N.J.

The Trib began publishing in Jan. 1978 and, after an initial sale of 250,000 copies, LaChance's drivers refused to distribute it. Donovan called LaChance, and the two met in the Hotel Algonquin bar. The day after this meeting, confirmed by Assemblyman Doug Prescott (R-Queens), then an aide to publisher Len Safir, LaChance lifted the stoppage.

Safir confirmed that Donovan tried to pump new money into the paper in order to gain control. "He

put \$250,000 on the table at a meeting of our board of directors," Safir said yesterday. "But that would have given him control of the paper, and Buckley's brother-in-law, Ray Leary, who was the major stockholder, didn't want to give up control. Buckley was also at the meeting, but he didn't say a word. Donovan's money was rejected."

Safir, Buckley's original campaign manager, folded the paper shortly before the three dailies here were struck in the summer of 1978. He insisted he had no knowledge about what took place at the Jan. 10 meeting or how Donovan had convinced LaChance to call off the stoppage by his drivers.

"I had nothing to do with the talks because I was busy at the paper," said Safir. "Donovan was protecting his investment by meeting with LaChance."

Also involved with the newspaper as board members were William J. Casey, now director of the CIA, and former Secretary of the Treasury William Simon, who had invested \$20,000 but withdrew before publishing started.

LaChance is in federal prison for accepting illegal payments of \$250,000 from newspaper distributors. An appeal to reduce the term recently was denied.